

How Institutional Strength Perception Effects Law Obedience Empirical Evidence From Albania

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Abstract- *The legislation has become a part of every organization to maintain just ways of conducting businesses. In this context, the institutional strength perceptions are studied that how they affect the law obedience in Albania. The institutional strength perception is studied as independent variable whilst the dependent variable is law obedience. The research project is focused on finding conclusions on how the law obedience gets affected by the institutional strength perception (Burkus, 2012). This research will help organizations to find out the ways to improve their institutional strength which will in turn enhance the law obedience. The study revolves around law obedience because it is essential for the survival of any institution to follow the official frame of rules issued by a state or legislative authorities. It will also assist organizations in earning high performance by implementing law practices in their workplace. Further to it, it will act as a baseline for future researchers to take informative knowledge from this particular study in order to carry out the research in further parts which are still unknown (Givens, 2011). On the whole, this research will help to extract fruitful findings which will benefit both organizations as well as future researchers. Analyzing this relationship will surely help to extract some useful conclusions that will provide companies to enhance the efficiency of their performance. Furthermore, the findings of this research will be applicable in extracting the same relationship in the same sector in different regions of the world.*

Keywords:- *legislation, (Givens, 2011), (Burkus, 2012), efficiency, unknown, official, institutional*

I. INTRODUCTION

a. Objective & Hypothesis

The primary objective of the research is to evaluate the effects of institutional strength perception on the law obedience in Albania.

The hypothesis designed to accomplish this objective is as follows:

H₀: There is no effect of institutional strength perception on the law obedience

H₁: There is a significant effect of institutional strength on the law obedience

II. Literature Review

There are a number of researchers previously done to evaluate the law obedience in different organizational structures using different research methodologies. For instance, a research indicates that law obedience is the crucial element for the success of any organization (Berghs & Casterlé, 2006). According to the authors,

food sector is regularly audited to evaluate whether or not the firm follows legislation. (Alawamleh, 2013) Another research focuses on the impact of organizational structure on law obedience. The results of the research indicate that law is followed when top management is most concerned. This is because policies are finalized by them. Thus, the law obedience has been an essential element for any organization (LINDQUIST, 2010). Similarly, a research illustrates that the firms running productively completely follows the law (Forji, 2010). Also, all the world market leaders are keen to law obedience to free them from any charge of misconduct (CHATMAN, 2013). To signify its importance, this study will elaborate the effects of institutional strength perception on the law obedience.

III. Research Design & Methodology

This section explains the overall methodology used to collect the data to analyze the results of the impact of total quality management practices on organizational performance in the manufacturing sector. Important facts will be discussed and analyzed comprehensively using an extended research design (Witting, 2006). The research paradigm behind this research is ontological research because it will explore about the nature of reality. This research will throw light on the reality of the law obedience in the institutions of Albania. It will be studied that by what ways companies use their institutional strength perceptions to follow legislation.

The research philosophy chosen for this research will be based on "realism" because this research will provide realistic results. Their numbers of studies on this topic are already studied. These will act as a guideline for this research (Flucker, 2011). The direct reality of this study is about how companies try to achieve high performance and in what areas do they lack quality. The satisfaction of employees and their insights will help to extract the true purpose of the research. This research is based on a survey in which hypothesis is designed according to the identified dependent and independent variables. After that, questionnaire is designed and distributed among the respondents to gather the primary data for the survey. The result of the survey will be analyzed by the statistical tool of SPSS.

IV. Research Technique

The research style chosen for this research is "Primary Research" in which data is collected for the very first time in raw form from the decided respondents. Further, the research is divided into two phases. An exploratory research technique is selected to explore the main concept by undertaking survey on the core purpose of the research. This comprises of gathering data from the respondents by the use

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of self-administered questionnaires (Azizi, 2011). The later stage is of descriptive in which the responses collected are collated and analyzed. The results are interpreted to either accept or reject the hypothesis designed. This will result in signifying the results (INGLEHART, 2002). In this phase, data is transformed from raw form into structured arrangement and required tests are applied to derive results upon which relevant interpretations are drawn. Responses of employees of manufacturing sector which will take part in the study are going to be described in the descriptive research technique through pie charts or bar charts (Troena, 2013).

On the whole, a quantitative primary research focusing on exploratory research method and descriptive research method will be conducted. The quantitative method will be used by conducting surveys amongst target population in order to analyze their views regarding the effectiveness of institutional strength perceptions.

V. Sampling Method

All the employees of Albania institutions are catered at total target population of the research. In sampling, the sample size and sample technique are identified. The Sample size is decided to get the accurate number of responses for project data. The sample size selected is 30. This sample size is decided to keep in mind that the employees of a specific sector are selected. Therefore, a sample size of 30 will help to gather accurate responses without any inconvenience. The sample size is selected on the basis of sampling technique. Simple random sampling is used for the selection of sample frame and data is gathered using convenience sampling. A Simple Random Sampling technique will be employed because it ensures that every individual unit in the population has an equal chance of getting selected. This method is meant to be an unbiased representation of groups. Convenience Sampling Method is used to approach the employees for this project to gather data (Troena, 2013).

Data Analysis

Correlation Matrix

Correlations

		OSP	LO
OSP	Pearson Correlation	1	.819**
	Sig. (2-tailed)		.000
	N	30	30
LO	Pearson Correlation	.819**	1
	Sig. (2-tailed)	.000	
	N	30	30

** . Correlation is significant at the 0.01 level (2-tailed).

VI. Interpretation

The table shows that the correlation between Organizational strength perceptions and law obedience is 0.819. This shows that organizational strength perception is 81.9% percent

correlated with the law obedience. Overall it is interpreted as a strong positive correlation.

A. Regression analysis

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.819 ^a	.670	.658	.94302

a. Predictors: (Constant), OSP

B. Interpretation

The above shows the summary of regression analysis. According to the results, the value of R shows the overall correlation between the variables and R-square reflects the variation caused in dependent variable due to all independent variables. The value of R is 0.819 which shows 81.9% correlation is found between organizational strength perception and law obedience. On the other hand, the value of R square is 0.670 which shows that 67.0% variation is caused in law obedience due to organizational strength perception.

Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	1.154	.472		2.446	.021
OSP	.094	.012	.819	7.541	.000

a. Dependent Variable: LO

C. Interpretation

The above table shows that the variation caused in law obedience due to organizational strength perception in terms of units. The value of β against OSP shows that one unit change in law obedience is caused due to 0.094 unit change in organizational strength perception.

The value to sig shows that the chances of error are 0.000 which is less than 0.05. Thus, this makes alternate hypothesis accepted i.e. there is a significant impact of organizational strength perception on the law obedience

VII. Conclusion

The research explores that there exists a strong significant effect of organizational strength perception on law obedience in Albania. The organizational strength perception is studied as independent variable while the law obedience is studied as dependent variable. The sample size is selected 30 considering the smaller scope of research and the nature of population. The analysis is conducted using the regression and correlation analysis. On the basis of results, it is concluded that there exists a strong significant relationship between the variables. On the whole, it is

speeded that there exists a significant effect of institutional strength perceptions on the law obedience in Albania.

Research Limitations

- The data is to be collected in a limited time period which restricts the sample size.
- The research analysis is limited to merely one sector
- Only quantitative technique is used which limits the results in quantitative form only and no qualitative technique is applied.

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ANNEXURE

Questionnaire

This research focuses on effects of institutional strength perceptions on law obedience. For this purpose, a questionnaire has been designed to investigate the core

purpose of the research. Therefore, it is requested to you to please take out few minutes from your busy schedule and fill up the questionnaire will honesty and sincerity. As each of your response will strengthen the results of my result and will help me extracting the meaningful findings regarding the research questions.

Age

- € Below 15 years
- € 15 to 25 years
- € Above 25 years

Qualification

- € Intermediate or below
- € Bachelors
- € Masters or above

Gender

- € Male
- € Female

Marital Status

- € Married
- € Single

Statements	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
Institutional Strength Perception					
The working environment of institution encourages strong relationship amongst different levels of hierarchy					
The institutional approach is more about two way communication, empowering every member to share their opinions					
The working environment of institution is more focused towards maintaining democratic style					
The institution empowers every member to participate in decision making					
Institutional policies strengthens the workforce relationship with each other					
Law Obedience					
Every member of institution is supposed to follow law to keep the company’s structure strong					
Law obedience is essential for running a successful business					
Strong organizational structure leads to utmost law obedience					
Workforce follows law when they are satisfied with the work environment					
Law obedience ultimately leads to high performance targets					

Thank you for taking out time from your busy schedule



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Dr. Cand Ermir Shahini, After finishing his bachelor and master degree in the economics field the author has been part of multiple various research containing as the basis of its focus the behavioral economics. The Author has been first author in all its publication and its vision to revitalize the economic field through behavioral economics has been materialized by publishing a book called

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